

1 The Honorable Ronald B. Leighton  
2  
3  
4  
5  
6

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

CHERYL KATER and SUZIE KELLY,  
individually and on behalf of all others  
similarly situated,

*Plaintiffs,*

v.  
CHURCHILL DOWNS INCORPORATED, a  
Kentucky corporation, and BIG FISH  
GAMES, INC., a Washington corporation.

*Defendants.*

No. 15-cv-00612-RBL

**PLAINTIFFS' OPPOSITION TO  
DEFENDANTS' RULE 23(d) MOTION**

ORAL ARGUMENT REQUESTED BY  
PLAINTIFFS

Noting Date: February 14, 2020

MANASA THIMMEGOWDA, individually  
and on behalf of all others similarly situated,

*Plaintiff,*

v.  
BIG FISH GAMES, INC., a Washington  
corporation; ARISTOCRAT  
TECHNOLOGIES INC., a Nevada  
corporation; ARISTOCRAT LEISURE  
LIMITED, an Australian corporation; and  
CHURCHILL DOWNS INCORPORATED, a  
Kentucky corporation,

*Defendants.*

No. 19-cv-00199-RBL

**PLAINTIFF'S OPPOSITION TO  
DEFENDANTS' RULE 23(d) MOTION**

ORAL ARGUMENT REQUESTED BY  
PLAINTIFF

Noting Date: February 14, 2020

## **TABLE OF CONTENTS**

<b>INTRODUCTION .....</b>	1
<b>BACKGROUND .....</b>	3
<b>LEGAL STANDARD .....</b>	4
<b>ARGUMENT .....</b>	5
I. <b>The Website Is Neither “Coercive” Nor “Misleading.” .....</b>	5
II. <b>There Is No Constitutional Basis For Ordering The Website Taken Down. ....</b>	10
III. <b>Defendants’ Remaining, Scattershot Accusations Of Ethical Breaches Are Baseless.....</b>	11
<b>CONCLUSION .....</b>	12

**TABLE OF AUTHORITIES**

**United States Supreme Court Cases**

<i>Am. Pipe &amp; Const. Co. v. Utah</i> , 414 U.S. 538 (1974) .....	7
<i>AT&amp;T Mobility LLC v. Concepcion</i> , 563 U.S. 333 (2011) .....	6
<i>Crown, Cork &amp; Seal Co. v. Parker</i> , 462 U.S. 345 (1983) .....	7
<i>Gentile v. State Bar of Nevada</i> , 501 U.S. 1030 (1991) .....	10
<i>Gulf Oil Co. v. Bernard</i> , 452 U.S. 89 (1981) .....	4

**United States Circuit Court of Appeals Cases**

<i>Kater v. Churchill Downs Inc.</i> , 886 F.3d 784 (9th Cir. 2018) .....	7
<i>Long Beach Area Peace Network v. City of Long Beach</i> , 574 F.3d 1011 (9th Cir. 2009) .....	10
<i>Wilson v. Huuuge, Inc.</i> , 944 F.3d 1212 (9th Cir. 2019) .....	3, 9

**Statutory Provisions**

Fed. R. Civ. P. 23 .....	6
Wash. R. of Prof'l Conduct 4.3 .....	11
Wash. R. of Prof'l Conduct 7.3 .....	11, 12

**Other Authorities**

3 NEWBERG ON CLASS ACTIONS (5th ed.) .....	5
6 NEWBERG ON CLASS ACTIONS (5th ed.) .....	5
Black's Law Dictionary 345 (3d ed. 1933) .....	5

## 1 INTRODUCTION

2 For months, Defendants have insisted to the Court that their revised Terms and single-  
 3 button pop-up window aren't coercive because putative class members supposedly retain the  
 4 right to "opt out" of Big Fish's Dispute Resolution Provision. *See, e.g.*, Dkt. 133/84<sup>1</sup> at 10:4-9:

5 THE COURT: Don't you think it's a little coercive if in order to  
 6 access your chips, you've got to agree to the terms and agree to  
 arbitration?

7 MS. HENN: Your Honor, I don't think that that is the case with the  
 8 game because of the prominently disclosed opt-out right.

9 But now that Plaintiffs' counsel have made it easier for putative class members to exercise that  
 10 supposed right—and that more than 2,500 putative class members have navigated to  
 11 [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) and done so—it turns out Defendants aren't so hot on the idea of  
 12 honoring opt-outs, after all.

13 Hoping to invalidate the hundreds of opt-out letters that they are receiving each day,  
 14 Defendants have filed a motion for a "Rule 23(d) Protective Order" ("Motion"). *See* Dkt.  
 15 164/115. The motion follows a familiar playbook: muddy up the facts, attack opposing counsel  
 16 with baseless accusations of unethical conduct, and hope that something sticks. Nothing does.

17 Defendants chiefly complain that Plaintiffs' counsel didn't seek pre-approval from the  
 18 Court before launching [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) (the "Website") and promoting it through  
 19 internet banner advertisements. *See* Motion at 1, 9, 10, 12. But it is Defendants, not Plaintiffs'  
 20 counsel, who are subject to a preliminary injunction requiring Court pre-approval based on  
 21 Defendants' past "coercive and misleading" communications. Dkt. 137/88 at 7. Defendants have  
 22 not offered any authority suggesting that Plaintiffs or their attorneys are subject to any type of  
 23 prior restraint on their speech.

24 Pivoting to whataboutism, Defendants argue that statements made on the Website and  
 25 corresponding banner advertisements are "coercive" and "misleading." *See* Motion at 1, 4-8. The

26  
 27 <sup>1</sup> For all slash-separated docket citations in this brief, the first citation is to the docket entry  
 in the *Kater/Kelly* action, and the second is to the docket entry in the *Thimmegowda* action.

1 suggestion of coercion is downright silly, and the Court is well-situated to make its own  
 2 determination as to whether the content—which, the Parties agree, largely mirrors Plaintiffs’  
 3 proposal at Dkt. 139/90—is in any way misleading. On that issue, it bears noting that the  
 4 statements on the Website are extremely similar to the corrective notice Plaintiffs previously  
 5 proposed, which “[met] the Court’s requirements” for such notice. Dkt. 145/96.

6 Finally, Defendants throw around accusations of unethical conduct based on: (1)  
 7 Plaintiffs’ counsel’s placement of banner advertisements for [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) on  
 8 the internet,<sup>2</sup> (2) an allegation that putative class members who apparently exchange real-time  
 9 messages might be talking to each other about these issues, and (3) an allegation that, sometime  
 10 after Defendants disseminated the revised pop-up featuring Plaintiffs’ counsel’s phone number  
 11 on January 21, 2020 (leading to Plaintiffs’ counsel’s phones being flooded with calls and  
 12 voicemails), Plaintiffs’ counsel returned the phone call of a putative class member. Motion at 9-  
 13 10. These accusations are meritless. There’s nothing wrong with posting banner advertisements  
 14 to a true and accurate website; there’s nothing wrong with putative class members talking to each  
 15 other (regardless of who they’ve hired as their counsel); and there’s nothing wrong with  
 16 Plaintiffs’ counsel returning putative class members’ phone calls or otherwise responding to  
 17 communications initiated by putative class members.

18 At bottom, Defendants’ motion asks the Court to believe that they have the best interests  
 19 of putative class members in mind, and that Plaintiffs’ counsel’s interests are “adverse” to the  
 20 putative class. *See* Motion at 9. That argument just doesn’t pass the smell test. *Compare Kater*,  
 21 Dkt. 75 at 8 (“[T]here is little uncertainty that Churchill Downs engaged in illegal conduct that  
 22 Kater can recover for if she truly lost as much money as she claims.”) *with Churchill Downs’*  
 23 Answer, Dkt. 102 at ¶ 86 (“CDI … denies Plaintiff is entitled to any relief whatsoever from  
 24 CDI.”). Because it is meritless, the Court should deny the Motion.

25  
 26 <sup>2</sup> The banner advertisements Defendants complain of are simply screenshots of  
 27 Defendants’ revised pop-up that say “Have you seen this pop up? You can protect your legal  
 rights by opting out of Big Fish’s arbitration clause” and have a “Learn More” button. Dkt. 165-  
 3/116-3 at 2.

## BACKGROUND

In late 2019, after finding that Defendants engaged in “coercive and misleading” communications with putative class members, the Court issued intertwined preliminary injunction and Rule 23(d) orders regulating Defendants’—*not* Plaintiffs’ counsel’s—future communications with putative class members. *See* Dkts. 137/88; 145/96. More specifically, the Court required that any initial communication from Defendants to putative class members pertaining to these lawsuits come in the form of a pop-up window that—among other requirements—identified Plaintiffs’ counsel, provided their telephone number, and notified putative class members of their right to “opt out” of Big Fish’s Dispute Resolution Provision. *Id.*

For weeks, Defendants took no substantial action in response to the Court’s Orders.<sup>3</sup> But then, on January 13, 2020, the Ninth Circuit issued its mandate in the related *Huuuge* case, affirming this Court and effectively extinguishing any argument by Defendants in these cases that they have ever had enforceable arbitration agreements with putative class members. *See Wilson v. Huuuge, Inc.*, 944 F.3d 1212, 1213 (9th Cir. 2019).

One week and one day after that mandate issued, on January 21, 2020, at approximately 3:45 p.m., Defendants finally began disseminating the revised pop-up in earnest, and the undersigned Plaintiffs' counsel's direct phone line (as opposed to the Court-ordered 1-800 number) was immediately flooded with calls and voicemails from putative class members. *See* Logan Decl. ¶ 2. The next day, on January 22, 2020, Plaintiffs' counsel responded by (1) establishing [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) ("Website"), and (2) notifying the Court and all Parties of the same via ECF. *See* Dkt. 159/110; Logan Decl. ¶ 3. Later that evening, at

<sup>3</sup> While Defendants claim that they “began disseminating” the amended pop-up on December 30, 2019, *see Dkt. 156/107* at 2, that appears to be a misleading (though perhaps technically defensible) claim. Plaintiffs’ counsel received no pop-up related phone calls from putative class members on December 30 (or 31). *See Declaration of Todd Logan (“Logan Decl.”) ¶ 2.* By contrast, when Defendants actually began disseminating the revised pop-up on January 21, 2020 in earnest, Plaintiffs’ counsel’s direct phone line was immediately flooded with calls and voicemails from putative class members. *Id.*

1 approximately 11:00 p.m., Plaintiffs' counsel began running internet banner advertisements  
 2 pointing toward the Website. Logan Decl. ¶ 3.

3 As Plaintiffs' counsel stated in their notice, the Website is intended to aid putative class  
 4 members in exercising the right to opt out of the dispute resolution provision in Big Fish Games'  
 5 Terms of Use. Practically speaking, that means enabling putative class members to communicate  
 6 their position on arbitration with the click of a button—as opposed to having to physically mail a  
 7 letter to Big Fish's lawyers in Seattle. To that end, when a putative class member navigates to  
 8 [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) and fills out the six fields of information and then clicks “sign and  
 9 send,” a postcard is automatically mailed from a third-party facility to Big Fish Games’ legal  
 10 department (per the instructions in Big Fish’s Terms). Logan Decl. ¶ 4. An exemplar of these  
 11 postcards is attached to the Declaration of Todd Logan as **Exhibit 1**.

12 As the Court will see in its review of the Website, its content largely mirrors the content  
 13 Plaintiffs' counsel previously proposed that Defendants be required to include in their revised  
 14 pop-up. *See* Dkt. 139/90. The website also includes contact information for the National Problem  
 15 Gambling Helpline, links to several important documents from these cases, and a clear  
 16 disclaimer of Edelson PC’s role—as Plaintiffs’ counsel—in these lawsuits.

17 Since its launch, more than 2,500 individuals have utilized the Website to send “opt-out”  
 18 letters to Big Fish Games’ legal department, pursuant to the instructions provided in Big Fish  
 19 Games’ most recent Terms. Logan Decl. ¶ 5.

## 20 **LEGAL STANDARD**

21 An order limiting communications between parties and potential class members should  
 22 be based on a clear record and specific findings that reflect a weighing of the need for a  
 23 limitation and the potential interference with the rights of the parties. *Gulf Oil Co. v. Bernard*,  
 24 452 U.S. 89, 101 (1981). For example, when a litigant in a putative class action engages in  
 25 “coercive and misleading” communications with putative class members by foisting upon those  
 26 putative class members “ultimatum[s]” regarding access to previously-purchased goods in an  
 27 “addictive” product a Rule 23(d) Order is appropriate. Dkt. 137/88 at 7-8.

## ARGUMENT

## I. The Website Is Neither “Coercive” Nor “Misleading.”

Defendants argue that [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) is “coercive” because it “subverts BFC users’ free choice.” Motion at 4. That is nonsense. Coercion occurs where “the relation of the parties is such that one is under subjection to the other, and is thereby constrained to do what his free will would refuse.” Black’s Law Dictionary 345 (3d ed. 1933); *accord* 3 NEWBERG ON CLASS ACTIONS § 9:7 (5th ed.) (coercive communications in putative class context generally require an “ongoing business relationship” and, in certain courts, “something more”). For example, when a company operates a highly addictive service, and then bars its customers from accessing that addictive service—and from accessing previously-purchased goods within the service—until those customers agree to retroactively waive valuable rights, that is coercion. *See* Dkt. 137/88 at 7-8.

By contrast, there's nothing coercive about Plaintiffs' counsel establishing a website that (1) conveys truthful and accurate information; (2) putative class members may choose whether or not to visit, and (3) putative class members may choose whether or not to fill out a form on. That's true most obviously because Plaintiffs' counsel wield no power or control over putative class members. And that distinction reveals the fallacy in Defendants' attempts to conflate the Website with Defendants' (or their counsel's) implementation of the original pop-up. *See Motion* at 4-5. There's a crucial difference between the Website and the original pop-up: Defendants (and their counsel) are adverse to, and wield substantial power over, putative class members. Plaintiffs' counsel, by contrast, wield no power over putative class members—and are, in fact ethically charged with advancing their interests, even before a class is certified. *See* 6 NEWBERG ON CLASS ACTIONS § 19:2 (5th ed.).

Nor is [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) misleading. *See Motion at 5-8.* Again, the statements on the Website are extremely similar to the corrective notice Plaintiffs proposed and which “[met] the Court’s requirements” for such notice. Dkt. 145/96. Defendants’ overarching complaint seems to be that the Website does not go out of its way to lavish praise upon private

1 arbitration. *See, e.g.*, Motion at 4 (grousing that the Website is “conspicuously silent as to the  
 2 many benefits of arbitration”); *id.* at 5 (“the Opt-Out Website is silent as to the many benefits  
 3 users would be giving up by opting out of arbitration”); *id.* at 6 (“arbitration frequently carries  
 4 greater benefits in terms of expediency and efficiency than litigation—benefits the Opt-Out  
 5 Website misleadingly omits”). It’s not exactly clear why Defendants believe Plaintiffs’ counsel  
 6 would have an obligation to compliment arbitration on the Website, and Defendants certainly  
 7 don’t provide any authority for such an obligation. *Cf.* 3 NEWBERG ON CLASS ACTIONS § 9:6 (5th  
 8 ed.) (“When courts have been asked to limit communications by plaintiffs’ counsel with  
 9 prospective class members, they have generally refused to do so unless the communications are  
 10 misleading, abusive, or coercive.”). To be clear, Defendants’ repeated citations to *AT&T*  
 11 *Mobility LLC v. Concepcion*, 563 U.S. 333 (2011), are nothing more than red herrings. This is  
 12 not a dispute about whether there is a federal policy favoring arbitration; this is a dispute about  
 13 whether Plaintiffs’ counsel may continue operating a true and accurate website. *Concepcion* does  
 14 not speak to the issues here.

15 Perhaps if the Website contained objectively false statements about arbitration, or  
 16 attempted to lure putative class members into retroactively waiving valuable rights, the Court  
 17 might need to exercise its discretion pursuant to Fed. R. Civ. P. 23(d) and regulate the Website.  
 18 But that isn’t the case here, as each statement made on the website—including those about  
 19 arbitration, the status of these cases, and which arguments the parties are making—is true and  
 20 accurate, and the effect of “opting out” is simply maintaining the status quo. Defendants  
 21 highlight nine specific statements on [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) that are purportedly  
 22 misleading. *See* Motion at 5-8. But as explained below, in bullet-point format, each statement is  
 23 true, accurate, and in no way misleading.

24 1. **“If you give up your rights and agree to arbitration, you might be giving up  
 25 your chance to recover all of the money you have spent, even if the court  
 26 later decides that Big Fish has to give players refunds.”**

1           • This statement is true, accurate, and in no way misleading. There are many  
 2           things putative class members *might* be giving up by agreeing to Defendants'  
 3           dispute resolution provision. *See* Dkt. 137/88 at 7-8 (ordering Defendants to  
 4           advise putative class members of "what they are giving up" by agreeing to  
 5           Terms). One sacrifice is the full benefit of the Ninth Circuit's decision in  
 6           *Kater v. Churchill Downs Inc.*, 886 F.3d 784 (9th Cir. 2018), which  
 7           unquestionably binds this Court but does not necessarily bind a private  
 8           arbitrator. Another potential sacrifice is the right to *American Pipe* and *Crown*  
 9           *Cork* tolling, which in these cases—but potentially not in individual  
 10          arbitration—will likely allow the vast majority of putative class members to  
 11          recover all of their losses, regardless of the 1-year statute of limitations clause  
 12          in Defendants' Terms. *See Am. Pipe & Const. Co. v. Utah*, 414 U.S. 538  
 13          (1974); *Crown, Cork & Seal Co. v. Parker*, 462 U.S. 345, 345 (1983).

14          2. **"There is no judge and no jury in arbitration, and your right to appeal is  
 15           limited."**

16           • This statement is true, accurate, and in no way misleading. *See, e.g.*, "JAMS:  
 17           Arbitration Defined: What is Arbitration?", available at  
 18           <https://www.jamsadr.com/arbitration-defined/> (Arbitration is "administered"  
 19           by a private organization ... By agreeing to arbitration, the parties ... are  
 20           waiving their fundamental, constitutional right to a trial by a jury of their  
 21           peers ... Unless otherwise agreed, the decision is legally binding and non-  
 22           appealable."). Nothing about this statement suggests that arbitration is decided  
 23           by a coinflip or any other "arbitrary" measure. And, in any event, Big Fish's  
 24           Terms—which Defendants insist putative class members now have knowledge  
 25           of—explain the powers and duties of the arbitrator in detail.

26          3. **"Big Fish's Terms of Use say that you can only file claims that are less than a  
 27           year old. But the Plaintiffs in the two class actions believe you can recover all  
 28           of your losses. If you give up your rights, you might be giving up your only  
 29           opportunity to recover for losses that are more than a year old."**

30           • This statement is true, accurate, and in no way misleading. Plaintiffs' counsel  
 31           believe that under *American Pipe* and *Crown Cork* tolling, the vast majority of  
 32           putative class members are likely to recover all of their losses should they  
 33           prevail at trial. By contrast, Defendants have consistently taken the position  
 34           that, in individual arbitration, putative class members will be subject to a 1-  
 35           year statute of limitations contained in Defendants' revised Terms. *See, e.g.*,  
 36           Dkt. 156/107 at 8.

37          4. **"Big Fish says you have thirty (30) days to opt out, and it is not clear when  
 38           they think the thirty-day clock starts running."**

39           • This statement is true, accurate, and in no way misleading. Defendants  
 40           concede that they believe and will argue in these cases that the timing of each

1 consumer's "acceptance" of the Terms is an individualized, fact-bound  
 2 inquiry. *See, e.g.*, Motion at 6 n.3. Plaintiffs disagree, but the more important  
 3 point, which is why it is made on [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com), is that it's  
 "not clear" when Defendants believe the thirty-day clock starts running for  
 each member of the putative classes.

4 **5. "There is no charge to you to keep your right to participate in the class  
 5 actions, and if the Court allows the cases to proceed as class actions, it will  
 6 appoint lawyers to represent Big Fish players ... If you decide to give up your  
 7 rights, starting an arbitration would cost you \$250, and if you wanted a  
 8 lawyer, you would have to pay for one yourself."**

9

10

11

12

13

14

15

16

17

- 18 This statement is true, accurate, and in no way misleading. There is no charge  
 19 for putative class members to keep their rights to participate in these cases,  
 20 and if the Court certifies them, it will appoint class counsel. If class counsel is  
 21 awarded fees, those fees will be shared among the entire class, meaning that  
 22 there is no chance a class member would have to pay for a lawyer by herself.  
 23 Conversely, a consumer who files an arbitration against Big Fish must  
 24 immediately pay \$250, and, if the consumer wishes to be represented by  
 25 counsel in that arbitration, she would have to locate and then pay for that  
 26 counsel on her own, without the cost-spreading benefits of class litigation.  
 27 Additionally, the statement implies neither that class action litigation is free  
 28 nor that arbitration is prohibitively expensive—and in any event, the putative  
 29 class cases are pursuing CPA claims for which consumers are likely entitled to  
 30 fee-shifting and cost-shifting. Indeed, Aristocrat disclosed as much to its  
 31 investors in its 2019 annual report. *See* Aristocrat Leisure Limited, 2019  
 32 Aristocrat Leisure Limited Annual Report at 103, <https://cite.law/F58A-GL4C>.

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

48

49

50

51

52

53

54

55

56

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

84

85

86

87

88

89

90

91

92

93

94

95

96

97

98

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114

115

116

117

118

119

120

121

122

123

124

125

126

127

128

129

130

131

132

133

134

135

136

137

138

139

140

141

142

143

144

145

146

147

148

149

150

151

152

153

154

155

156

157

158

159

160

161

162

163

164

165

166

167

168

169

170

171

172

173

174

175

176

177

178

179

180

181

182

183

184

185

186

187

188

189

190

191

192

193

194

195

196

197

198

199

200

201

202

203

204

205

206

207

208

209

210

211

212

213

214

215

216

217

218

219

220

221

222

223

224

225

226

227

228

229

230

231

232

233

234

235

236

237

238

239

240

241

242

243

244

245

246

247

248

249

250

251

252

253

254

255

256

257

258

259

260

261

262

263

264

265

266

267

268

269

270

271

272

273

274

275

276

277

278

279

280

281

282

283

284

285

286

287

288

289

290

291

292

293

294

295

296

297

298

299

300

301

302

303

304

305

306

307

308

309

310

311

312

313

314

315

316

317

318

319

320

321

322

323

324

325

326

327

328

329

330

331

332

333

334

335

336

337

338

339

340

341

342

343

344

345

346

347

348

349

350

351

352

353

354

355

356

357

358

359

360

361

362

363

364

365

366

367

368

369

370

371

372

373

374

375

376

377

378

379

380

381

382

383

384

385

386

387

388

389

390

391

392

393

394

395

396

397

398

399

400

401

402

403

404

405

406

407

408

409

410

411

412

413

414

415

416

417

418

419

420

421

422

423

424

425

426

427

428

429

430

431

432

433

434

435

436

437

438

439

440

441

442

443

444

445

446

447

448

449

450

451

452

453

454

455

456

457

458

459

460

461

462

463

464

465

466

467

468

469

470

471

472

473

474

475

476

477

478

479

480

481

482

483

484

485

486

487

488

489

490

491

492

493

494

495

496

497

498

499

500

501

502

503

504

505

506

507

508

509

510

511

512

513

514

515

516

517

518

519

520

521

522

523

524

525

526

527

528

529

530

531

532

533

534

535

536

537

538

539

540

541

542

543

544

545

546

547

548

549

550

551

552

553

554

555

556

557

558

559

560

561

562

563

564

565

566

567

568

569

570

571

572

573

574

575

576

577

578

579

580

581

582

583

584

585

586

587

588

589

590

591

592

593

594

595

596

597

598

599

600

601

602

603

604

605

606

607

608

609

610

611

612

613

614

615

616

617

618

619

620

621

622

623

624

625

626

627

628

629

630

631

632

633

634

635

636

637

638

639

640

641

642

643

644

645

646

647

648

649

650

651

652

653

654

655

656

657

658

659

660

661

662

663

664

665

666

667

668

669

670

671

672

673

674

675

676

677

678

679

680

681

682

683

684

685

686

687

688

689

690

691

692

693

694

695

696

697

698

699

700

701

702

703

704

705

706

707

708

709

710

711

712

713

714

715

716

717

718

719

720

721

722

723

724

725

726

727

728

729

730

731

732

733

734

735

736

737

738

739

740

741

742

743

744

745

746

747

748

749

750

751

752

753

754

755

756

757

758

759

760

761

762

763

764

765

766

767

768

769

770

771

772

773

774

775

776

777

778

779

780

781

782

783

784

785

786

787

788

789

790

791

792

793

794

795

796

797

798

799

800

801

802

803

804

805

806

807

808

809

810

811

812

813

814

815

816

817

818

819

820

821

822

823

824

825

826

827

828

829

830

831

832

833

834

835

836

837

838

839

840

841

842

843

844

845

846

847

848

849

850

851

852

853

854

855

856

857

858

859

860

861

862

863

864

865

866

867

868

869

870

871

872

873

874

875

876

877

878

879

880

881

882

883

884

885

886

887

888

889

890

891

892

893

894

895

896

897

898

899

900

901

902

903

904

905

906

907

908

909

910

911

912

913

914

915

916

917

918

919

920

921

922

923

924

925

926

927

928

929

930

931

932

933

934

935

936

937

938

939

940

941

942

943

944

945

946

947

948

949

950

951

952

953

954

955

956

957

958

959

960

961

962

963

964

965

966

967

968

969

970

971

972

973

974

975

976

977

978

979

980

981

982

983

984

985

986

987

988

989

990

991

992

993

994

995

996

997

998

999

9999

1           7.    **“Big Fish Games’ Terms of Use ask you, by default, to give up your right to**  
 2           **participate in two class action lawsuits. . . . These lawsuits claim that players,**  
 3           **including you, are entitled to a refund of ALL money they have spent on Big**  
 4           **Fish Casino and Jackpot Magic Slots because they are unlicensed gambling**  
 5           **games.”**

6

- 7           • This statement is true, accurate, and in no way misleading. Plaintiffs in both  
 8           cases seek to represent putative classes of consumers who have lost money to  
 9           Big Fish Casino or Big Fish Games’ “other internet casino games,” of which  
 10           Jackpot Magic Slots is (a major) one. *See Kater*, Dkt. 85 ¶ 48; Dkt. 1 ¶ 52.  
 11           And while Defendants’ counsel believe that putative class members have  
 12           previously accepted Big Fish’s Terms, via browsewrap, Plaintiffs’ counsel  
 13           believe that binding caselaw in a factually analogous case demonstrates  
 14           otherwise. *See Wilson v. Huuuge, Inc.*, 944 F.3d 1212 (9th Cir. 2019).

15           8.    **“If you have questions [sic] any questions, please send an email to**  
 16           **casinolawsuits@edelson.com or call Edelson PC at 1-800-347-5750.”**

17

- 18           • How this could be a “misleading” statement escapes Plaintiffs’ counsel. In any  
 19           event, here is the entire paragraph from which this statement is taken, which  
 20           Plaintiffs’ counsel submits is unassailable: “Who created this website?  
 21           Edelson PC, a law firm, created this website. Edelson PC represents the  
 22           plaintiffs in the lawsuits against Big Fish that are described on this website.  
 23           By sending this letter you are not creating an attorney-client relationship with  
 24           Edelson PC and you are not hiring Edelson PC to be your lawyer. If you have  
 25           any questions, please send an email to casinolawsuits@edelson.com or call  
 26           Edelson PC at 1-800-347-5750.”

27           9.    **“A federal appellate court has already decided the key issue in this case in**  
 1           **favor of the players.”**

2           • This statement is true, accurate, and in no way misleading. Plaintiffs’ counsel  
 3           adopted the phrasing from an order of this Court. *See Kater*, Dkt. 75 at 8.  
 4           (“Churchill Downs’ 28-page motion requested that the court dismiss Kater’s  
 5           claims with prejudice, and self-admittedly addressed *the key issue* in this case  
 6           . . . Indeed, with these questions resolved by the Ninth Circuit, *there is little*  
 7           *uncertainty that Churchill Downs engaged in illegal conduct* that Kater can  
 8           recover for if she truly lost as much money as she claims.”) (emphasis added).

9

10           There’s nothing coercive, misleading, or otherwise unfair about a website that provides  
 11           true and accurate information, and allows visitors to make an informed decision about arbitration.  
 12           Defendants just don’t like it.

1       **II. There Is No Constitutional Basis For Ordering The Website Taken Down.**

2           Defendants argue that Plaintiffs' counsel's establishment of the Website "circumvent[ed]  
 3 the Court-mediated process for communicating with putative class members." Motion at 4. But  
 4 no circumvention could possibly have occurred—because there is nothing to circumvent. There  
 5 exists no Court-mediated process for communications between putative class members and  
 6 Plaintiffs' counsel. Instead, because *Defendants* previously engaged in "coercive and  
 7 misleading" communications, the Court issued a preliminary injunction that regulates  
 8 *Defendants*' communications with putative class members. *See* Dkt. 137/88.<sup>4</sup>

9           Ultimately, the "protective order" that Defendants now seek is an unjustified and  
 10 consequently unconstitutional prior restraint on Plaintiffs' counsel's speech. Prior restraints on  
 11 speech and communication are "presumptively invalid." *Long Beach Area Peace Network v. City*  
 12 *of Long Beach*, 574 F.3d 1011, 1021 (9th Cir. 2009). Even against attorneys, such restrictions are  
 13 in general permitted only if the challenged speech threatens "a substantial likelihood of  
 14 materially prejudicing an adjudicative proceeding." *Gentile v. State Bar of Nevada*, 501 U.S.  
 15 1030 (1991). There is no such threat here; the Website contains exclusively true and accurate  
 16 statements, and simply allows visitors to make an informed decision about whether to "sign and  
 17 send" a letter to Defendants' legal department.

18           The truth is that Defendants are asking the Court to suppress Plaintiffs' counsel's  
 19 speech—and to invalidate actions that putative class members have taken on the basis of it—  
 20 because they are worried putative class members might agree with that speech. But the First  
 21 Amendment "does not permit suppression of speech because of its power to command assent."  
 22 *Id.* In other words, where "the dangers of [attorneys'] speech arise from its persuasiveness, from  
 23 their ability to explain judicial proceedings, or from the likelihood the speech will be believed,  
 24 these are not the sort of dangers that can validate restrictions." *Id.* That's exactly the case here.

25  
 26       <sup>4</sup> Defendants also suggest that the Court's preliminary injunction against them *sub silentio*  
 27 created a prior restraint on Plaintiffs' counsel's speech to putative class members. There is no  
 way to read the Court's preliminary injunction order to reach such an unconstitutional result.

1       **III. Defendants' Remaining, Scattershot Accusations Of Ethical Breaches Are Baseless.**

2           Finally, Defendants accuse Plaintiffs' counsel of violating Washington Rule of  
 3 Professional Conduct 7.3. *See* Motion at 9-10. Defendants offer three bases for Plaintiffs'  
 4 counsel's purported ethical breaches. *Id.* Each is baseless.

5           First, Defendants argue that Plaintiffs' counsel violated RPC 7.3 by failing to seek pre-  
 6 approval from the Court before launching internet banner advertisements to the Website. *Id.* That  
 7 argument has so many flaws that it's almost hard to know where to start, but here are a few: (1)  
 8 Plaintiffs' counsel had no obligation, ethical or otherwise, to seek Court pre-approval before  
 9 advertising the Website; (2) RPC 7.3 pertains to solicitation, but the Website states that "By  
 10 sending this letter you are not creating an attorney-client relationship with Edelson PC and you  
 11 are not hiring Edelson PC to be your lawyer"; and RPC 7.3 governs only "in-person, live  
 12 telephone, or real-time electronic contact," whereas none of those kinds of contact can occur on  
 13 the Website (and the Website does not ask visitors to share their phone number).

14          Defendants also contend that by establishing the Website without pre-approval,  
 15 Plaintiffs' counsel have violated Washington Rule of Profession Conduct 4.3 because Plaintiffs'  
 16 counsel's interests are—in Defendants' view—"adverse" to those of members of the putative  
 17 classes. *See* Motion at 8-9. There can be no serious dispute here as to whose interests are aligned  
 18 with—as opposed to adverse to—putative class members. The dockets in these cases reveal that  
 19 Plaintiffs' counsel have advocated on behalf of putative class members dating back to 2015, and  
 20 have fought—and won—a string of crucial battles not just in this Court but also before the  
 21 Washington State Gambling Commission and the Washington State Legislature. By contrast,  
 22 Defendants continue to argue that Plaintiffs and putative class members are entitled to no relief.  
 23 *Kater*, Dkt. 102 at ¶ 86. Plaintiffs' counsel have not come anywhere close to violating Rule 4.3.

24          Next, Defendants argue that Plaintiffs' counsel violated RPC 7.3 because one of the  
 25 putative class members represented by Plaintiffs' counsel—of which, to be clear, there are  
 26 many—apparently advised another putative class member to visit [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com).  
 27 *See* Motion at 10. But again, whereas RPC 7.3 pertains to solicitation, the Website states that

1 “By sending this letter you are not creating an attorney-client relationship with Edelson PC and  
 2 you are not hiring Edelson PC to be your lawyer.” And given that these two putative class  
 3 members are apparently close enough, personally, to be exchanging real-time messages in which  
 4 they call each other “Hun,” it would appear that the RPC 7.3(a)(2) safe harbor applies here.

5 Finally, Defendants suggest that Plaintiffs’ counsel violated RPC 7.3 because “one  
 6 [unidentified] user reported receiving a call from” an attorney at Plaintiffs’ counsel’s law firm,  
 7 and that attorney “disparaged the games and referred to a class action lawsuit.” *Id.*<sup>5</sup> An  
 8 immediate problem with Defendants’ conspiracy theory that Plaintiffs’ counsel are using  
 9 [www.nocasinoarbitration.com](http://www.nocasinoarbitration.com) to cold-call and/or unethically solicit putative class members is  
 10 that, again, the Website does not ask visitors to share their phone numbers. (And to be absolutely  
 11 clear, Plaintiffs’ counsel *have not* cold-called any putative class members. Logan Decl. ¶ 7.)

12 Here’s the truth. After Defendants disseminated the revised pop-up to *all* of their  
 13 customers on January 21, 2019, scores of putative class members called Plaintiffs’ counsel and  
 14 left voicemails and other messages requesting representation and/or further information. Logan  
 15 Decl. ¶ 2. It shouldn’t be a shock to anyone—Defendants included—that Plaintiffs’ counsel  
 16 returned those calls and messages. Nor should it be a shock that during any of those  
 17 communications, Plaintiffs’ counsel might have: (1) “referred to a class action lawsuit,” given  
 18 that these lawsuit were expressly mentioned in (and were in fact the reason for) Defendants’ pop-  
 19 up windows; or (2) spoken unkindly of Big Fish Casino, given that it is—in Plaintiffs’ counsel’s  
 20 opinion—operating illegally and taking advantage of vulnerable people.

## 21 CONCLUSION

22 The Court should deny the Motion.

23  
 24  
 25  
 26 <sup>5</sup> Plaintiffs’ counsel have repeatedly asked Defendants’ counsel to provide specific  
 27 information regarding this allegation, so as to allow a substantive response. Logan Decl. ¶ 6. For  
 whatever reason, Defendants’ counsel have steadfastly refused to provide any further  
 information. *Id.*

DATED this 10th day of February, 2020.

**CHERYL KATER, SUZIE KELLY, and  
MANASA THIMMEGOWDA, individually and  
on behalf of all others similarly situated,**

By: s/Todd Logan  
Rafey S. Balabanian\*  
rbalabanian@edelson.com  
Todd Logan\*  
tlogan@edelson.com  
Brandt Silver-Korn\*  
bsilverkorn@edelson.com  
EDELSON PC  
123 Townsend Street, Suite 100  
San Francisco, California 94107  
Tel: 415.212.9300/Fax: 415.373.9435

By: s/ Cecily C. Shiel  
TOUSLEY BRAIN STEPHENS PLLC  
Cecily C. Shiel, WSBA #50061  
cshiel@tousley.com  
1700 Seventh Avenue, Suite 2200  
Seattle, Washington 98101-4416  
Tel: 206.682.5600

*Attorneys for Cheryl Kater, Suzie Kelly and  
Manasa Thimmegowda*

\*Admitted *pro hac vice*